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Wars, Uprisings Spur The Botanicals Trade To Adopt 007 Tactics

Importers of Exotic Perfume, Drug Material Kept Guessing By Strife, Anti-U.S. Feeling

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NEW YORK—Who says war is good for the economy?

Not Ellis Meer. The Vietcong have come between this importer and his nux vomica. What's more, unrest in Indonesia has upset the market in cinchona bark and patchouli. Anti-American feeling in Cambodia has played havoc with the gum benzoin trade. And an importer of Eucalyptus oil from the Congo has had to find a new source because "the fellow we worked with, the main producer, was massacred."

Such woes, however, are hardly new to the hardy band of importers of these and other goods known as botanicals, a term the industry loosely defines as "anything that grows and isn't eaten." The aromatic goods, often available from one land only, are used mainly in spices, perfumes and drugs. About \$300 million worth of them are imported annually.

Dealing with war, rebellion, civil strife and anti-U.S. attitude is all in a day's work for the botanical people. "You have to be a student of foreign affairs in this business," says Mr. Meer. "Most of my spare time is spent meeting diplomats, trying to find out what's going on in their country." But, conceding that rebellions and wars usually catch the trade unaware, another importer asks: "If the CIA and the State Department can't anticipate a rebellion, how can we do it?"

A Task for 007

Secrecy and intrigue are also hallmarks of the industry. Some of the deals swung in foreign lands would tax the ingenuity of James Bond. Most importers work through brokers who deal through agents abroad who work through heaven-knows-whom. "We know the people we deal with are reliable," says one importer. "How they get the product and where they get it is their problem."

Even after a purchase is completed it's often kept secret. One concern won't talk about

items it gets from Russia for fear of alerting longshoremen, who often refuse to unload Red goods. S. B. Penick & Co. concedes it didn't get anything from the Dominican Republic during the recent upheaval there—but also won't say what it was trying to import. "We work like the dickens to develop a new source of supply," an officer explains, adding that if he talks about it "two months later we find other guys in there."

At the moment, Vietnam and Indonesia are providing most of the problems for the importers. The war in Vietnam has ruined that country as a source of nux vomica and Saigon cinnamon, considered the best grade of that spice. Nux vomica, a button-sized grey nut whose name means "vomit nut," is a source of strychnine and brucine (used to denature alcohol) and is used in veterinary drugs for indigestion and as a tonic to stimulate appetites.

In Indonesia, rebellion and bad feeling toward the U.S.—and poor management—have combined to cut off shipment of many products. The result: Quickly dwindling supplies and sharply rising prices. Quinine sulphate, which is extracted from cinchona bark and used in medicine and tonic water, now costs \$2.50 to \$3 an ounce, up from 35 cents a couple of years ago. Patchouli, a perfume base, now is about \$15 a pound and one importer figures it will hit \$25 soon; a few months ago the price was \$4.

Smuggling Cinchona Bark

Some cinchona bark is coming out of Indonesia, one importer claims, but "indirectly, through other countries." That is, it is being smuggled through Singapore and Hong Kong.

Cambodia, where anti-American feeling runs high, has halted shipments to the U.S. of gum benzoin, forcing importers to get the perfume material through others. The price now is \$12 a pound; it was \$2.

If war doesn't threaten a crop, weather often does. Bernard P. Champon, president of L. A. Champon & Co., a broker, recalls a cyclone that tore into Reunion Island, ripping up geranium flowers (for perfume), then cut into Madagascar and destroyed much of the vanilla bean crop and finally cut across the Comoro Islands where it destroyed hundreds of ylang ylang flowers (also used in perfume).

Continuing troubles often goad importers and their customers to find more secure supplies. Fluctuating prices and quality of Indian lemon grass, from which citral for vitamin A is made, prompted Hoffmann-La Roche, Inc., to synthesize citral. Penick grew tired of uncertain supplies of pyrethrum daisy, used in pesticides, from the Congo, Kenya and Tanzania and set up its own farm in Ecuador.